

PATENT
EXAMINING GROUP 3621

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant(s): CANDELLA et al.	Art Unit: 3621
Application No.: 09/710,776	Examiner: Pierre E. Elisca
Filed: 11/09/2000	Attorney Docket No.: FRA175/189535
Title: Method and System for Detecting Fraud in Non-Personal Transactions	

**Mail Stop Appeal Brief - Patents
Commissioner for Patents
P. O. Box 1450
Alexandria, Virginia 22313-1450**

ATTENTION: Board of Patent Appeals and Interferences

APPELLANT'S REPLY BRIEF (37 C.F.R. §41.41)

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TABLE OF CONTENTS

A. INTRODUCTION	1
B. STATUS OF GROUNDS REMAINING ON APPEAL	1
C. ARGUMENTS	2
I. The Examiner's Reply is Indicative of the Source of Confusion	2
II. The Examiner Misinterprets "City and State" and	3
"Zip+4 Code" in the Dependent Claims	

APPELLANT'S REPLY BRIEF

A. INTRODUCTION

This Reply Brief (“brief”) is provided in response to the Examiner's Answer dated September 19, 2007, to clarify the Applicant's position on remaining issues relating to the appeal.

B. STATUS OF GROUNDS REMAINING ON APPEAL

The following grounds of rejection remain on appeal for consideration by the Board:

1. The final rejection of claims 1-32 under 35 U.S.C. §102(e) as being anticipated by U.S. Patent No. 6,163,771 to Walker (hereinafter “Walker”).

C. ARGUMENTS

I. The Examiner's Reply is Indicative of the Source of Confusion

The Examiner states that claims 1-32 have been rejected under the newly found U.S. Patent Number 6,163,771 to Walker et al. The Examiner states:

Walker discloses a mail-order based credit card fraud, both Visa and MasterCard have deployed databases that allow a merchant to verify that a given credit card account number is connected to a specific billing address. Visa calls this service the Address verification service. The theory behind the service is that a thief (for example, a dishonest restaurant waiter) might be able to use a credit card receipt slip to steal an active account number, but if he tries to use that number for a mail order purchase he would not know the correct address associated with that number. Even if a thief were to obtain the cardholder's address, this service can allow a merchant to compare the shipping address of the catalog order to the current billing address for that account number and thus possibly identify any suspicious activity (which is readable as Applicant's claimed invention wherein said a method for detecting fraud non-personal transactions), comprising the steps of:

Collecting purchaser data for the transaction, said purchaser data comprising a billing address and a ship-to-address; transmitting said ship-to-address to a fraud-detection system, processing said ship-to-address to determine whether the transaction is potentially fraudulent by checking the purchaser's ship-to-address against non-billing address criteria, and returning the relative risk of fraudulent activity associated with the transaction (see, col. 2, lines 7-20).

The Examiner's reply is indicative of the source of confusion, which necessitates this appeal. Immediately above, the Examiner again asserts that col. 2, lines 7 – 20 of the cited reference teach a "non-billing address". However, an examination of the cited text reveals that the Examiner has interpreted the teachings of Walker incorrectly.

The Examiner is asserting that Walker teaches checking the purchaser's ship-to-address against non-billing address criteria. Indeed, Applicant's claim 1 requires the step of, ". . . checking the purchaser's ship-to address against non-billing address criteria". However, as can

be seen from the below referenced teachings of Walker, Walker fails to anticipate at least this portion of the claim.

To further help combat mail-order based credit card fraud, both Visa and MasterCard have deployed databases that allow a merchant to verify that a given credit card account number is connected to a specific billing address. Visa calls this service the Address Verification Service. The theory behind the service is that a thief (for example, a dishonest restaurant waiter) might be able to use a credit card receipt slip to steal an active account number, but if he tries to use that number for a mail order purchase he would not know the correct address associated with that number. Even if a thief were to obtain the cardholder's address, this service can allow a merchant to compare the shipping address of the catalog order *to the current billing address* for that account number and thus possibly identify any suspicious activity. (Walker, col. 2, lines 7 – 20, emphasis added.)

Applicant is at a loss as to how to distinguish the teachings of Walker any more clearly than has been done. To summarize, applicant's claim 1 requires, "processing the ship-to address to determine whether the transaction is potentially fraudulent by checking the purchaser's ship-to address against *non-billing address criteria*". Walker, however, explicitly teaches that, "this service can allow a merchant to compare the shipping address of the catalog order *to the current billing address* for that account number and thus possibly identify any suspicious activity".

II. The Examiner Misinterprets "City and State" and "Zip + 4 Code" in the Dependent Claims

The Examiner responded to Applicant's argument by stating the following:

- a. Applicant's newly added limitation recites "checking the purchaser's ship-to address against non-billing address." Whereas, claim 6 recites ship-to

address against they city and state with a Zip + 4 code. Therefore, the ship-to address criteria can be a billing address, a PO box address, or any geographic area of the ship-to address.

b. Applicant further argues that Applicant's method does not utilize the billing address as a criteria to be checked against the shipping address. Any yet, claims 4, 6, 20, and 21 recite the purchaser's ship-to address criteria comprises comparing the **city and state** of the ship-to address against the city and state with a **Zip + 4 code**. The city, the state, and the zip + 4 code represent the person physical address, and can also be a billing address or a PO box address or an office address or a family member address. Accordingly, the specific billing address of Walker is the same as any regular address since they are used for the same purpose. Furthermore, an address is an address, it is just a label. (Emphasis in original.)

Claims 4 and 6 recite "zip code" / "city and state," "... of the ship to address...."

Further, claims 4 and 6 each depend from claim one, which unequivocally requires that the purchaser's ship-to address [be checked] against non-billing address criteria. Therefore, contrary to the Examiner's assertions, the city and state and Zip + 4 referred to in claims 4 and 6 is not just a label. Instead, the city, state and Zip + 4 comprises a criteria that is related to the ship-to address and is a criteria expressly defined as "non-billing address criteria".

Similarly, claim 19, from which claim 20 depends, and claim 21 clearly set forth, "comparing the [zip code/city and state] of the ship-to address ..."

In summary, the language of claims 1, and 19/20 clearly sets forth a step of, "comparing a zip code of the ship-to address" Claims 6 and 21 require comparing the city and state of the ship-to address" The dependent claims further define the step of checking the ship-to address against non-billing address criteria.

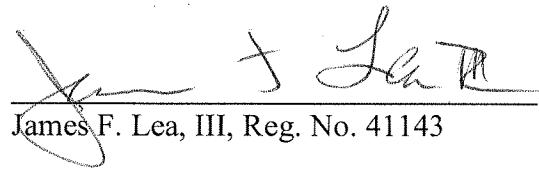
Further, it shall be noted that claim 1, from which the dependent claims depend, requires collecting purchaser data, comprising "a billing address" and a "ship-to address". The two are

separate pieces of data. Applicant's method compares the ship-to address against non-billing address criteria.

In view of the foregoing, favorable action upon the appealed application by the Board is respectfully requested.

Respectfully submitted,

11-19-07
Date


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